

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

Chapter 15

Israel Meyer Gold,
a/k/a Meyer Gold,
a/k/a Israel Mayer Gold,
a/k/a Mayer Gold,

Case No.

Debtor.

-----X

**DECLARATION OF HAROLD J. SORSKY IN SUPPORT
OF MOTION FOR RECOGNITION PURSUANT TO CHAPTER 15**

Harold J. Sorsky hereby declares under penalties of perjury pursuant to 28
U.S.C. § 1746 as follows:

1. I make this Declaration in support of my motion for recognition of myself as a foreign representative, and for recognition of a foreign main proceeding, and for related relief, all under Chapter 15 of title 11 of the United States Code (the "Bankruptcy Code"), and respectfully state and allege that:

2. I am the duly appointed English Trustee in connection with a certain insolvency proceeding currently pending against Israel Meyer Gold ("Gold") in London, England. I respectfully submit this petition seeking recognition of the English insolvency proceeding (defined below) as a foreign main proceeding for the purposes of American law, so that I can seek to recover assets and property of Israel Meyer Gold in the United States under the provisions of Chapter 15 of the Bankruptcy Code.

3. In particular, I seek to utilize Section 1520 of the Bankruptcy Code to marshal and liquidate real property owned by Gold directly or indirectly in Brooklyn, New York.

4. For the reasons set forth below, the English insolvency proceeding constitutes a foreign main proceeding as defined in Section 1502(4) of the Bankruptcy Code. Accordingly, I hope to be able to act on behalf of creditors under Section 1520 and 1521 of the Bankruptcy Code, as well as to seek such additional powers and protections as may be necessary under Section 1519 thereof.

THE ENGLISH PROCEEDINGS

5. Upon the petition (the "British Petition") of Gold's largest creditor, Gladstar Ltd., to the High Court of Justice in Bankruptcy in London, England (under case number 2320-2009) (the "English Insolvency Proceeding") Gold was adjudged a bankrupt by Order of the High Court dated November 9, 2009. A copy of the British Petition is annexed hereto as Exhibit "A". A copy of the November 9 Order adjudging Gold a bankrupt is annexed hereto as Exhibit "B".

6. I was appointed the English Trustee of Gold's bankruptcy estate on November 25, 2009 by the Secretary of State under the provisions of section 296 of the Insolvency Act 1986. A copy of the appointment is annexed hereto as Exhibit "C".

AMERICAN PROPERTY OWNED BY GOLD

7. A search of various records maintained by the Clerk of Kings County, New York on its ACRIS website indicates that Gold may potentially own all or part of

several parcels of real property in Brooklyn, New York (the "Properties"), identified as follows:

A. 166 Clymer Street, Brooklyn, New York

This property is believed to be a 3- or 4-floor building with approximately 4 units. The property is currently owned by 166 C Group LLC which shows its address at 166 Clymer Street. The deed in August 31, 2009 from 166 Clymer Street Corp. to 166 C Group LLC shows the corporation having Israel Gold, Moses Friedman, Rachael Gold and Veronica Friedman as officers.

B. 171 South 4th Street, Brooklyn, New York

The property is a six-floor apartment building with 23 apartments. The property is owned of record by 171-173 Realty LLC. In a 2008 financing transaction, it appears that 171-173 Realty LLC borrowed \$2,000,000 from First National Bank of Long Island. Gold signed as Member on the loan documents. In the 2008 financing the LLC shows its address at 134 Broadway, Brooklyn, NY (a postal mail service). However in a 2002 deed it shows its address at 543 Bedford, Brooklyn, NY.

C. 801 Driggs Avenue, Brooklyn, New York

Gold is the individual owner of this property, which appears to be a four-family house. The address for Mr. Gold on the deed is 543 Bedford Avenue, Brooklyn, New York. In 2006, a \$725,000 mortgage loan was taken from American Brokers Conduit against this property. In those loan documents, Gold lists his address at 166 Clymer Street, Apartment 2.

D. 1868 61st Street, Brooklyn, New York

Israel Gold individually is owner of a 50% interest as tenant-in-common on this property. The other 50% owner is Phillip Freund. In the 2002 deed, Israel Gold's address is listed at 42 Blauvelt Road, Monsey, New York. There is an \$80,000 first lien and \$246,500 second lien of record. At this time, we cannot confirm that the Israel Gold named on this deed is the same person as the Debtor in the English Insolvency Proceeding.

8. In light of the foregoing, I hereby request formal recognition of me by this Court as a foreign representative and the English Insolvency Proceeding as a foreign main proceeding so that I may conduct the necessary examination of Gold and other parties in interest to determine the extent of Gold's interests in the Properties, as is permitted under Section 1521(4), and to recover and/or sell those interests pursuant to applicable provisions of the Bankruptcy Code, as is permitted under Section 1520(a)(2).

APPLICABLE CHAPTER 15 PROVISIONS

9. Under Section 1504 of the Bankruptcy Code, a case under Chapter 15 is commenced "by the filing of a petition for recognition of a foreign proceeding under section 1515."

10. Section 1501(c)(2) limits availability of Chapter 15 relief by providing that Chapter 15 does not apply to:

an individual, or to an individual and such individual's spouse, who have debts within the limits specified in section 109 (e) and who are citizens of the United States or aliens lawfully admitted for permanent residence in the United States.

11. Upon information and belief, Gold may be a dual citizen of the United States. According to the British Petition, Gladstar has an unsecured claim against in the sum of £1,120,000 plus accrued interest of a further £170,800, or approximately US\$2,059,754 (as converted at the current rate of 1 pound equals 1.59 dollars). This is far

outside of the \$250,000 limitation on debt contained in Section 109(e) of the Bankruptcy Code, further making Gold eligible to be a debtor under Chapter 15.

12. The next step in the analysis is Section 1517, which permits recognition of a foreign proceeding after notice and a hearing, upon satisfaction of the following three part test for recognition:

(1) such foreign proceeding for which recognition is sought is a foreign main proceeding or foreign nonmain proceeding within the meaning of section 1502;

(2) the foreign representative applying for recognition is a person or body; and

(3) the petition meets the requirements of section 1515.

13. With respect to the first requirement, it is respectfully submitted that the English Insolvency Proceeding is a foreign main proceeding within the meaning of Section 1502(4). This Section defines as foreign main proceeding as “a foreign proceeding pending in a country where the debtor has the center of its main interests.”

14. Section 1516 provides that “in the absence of evidence to the contrary, the debtor’s . . . habitual residence in the case of an individual, is presumed to be the center of the debtor’s main interests.” Upon information and belief, Gold’s main interests are in England, where he maintains a residence at 144 Holmleigh Road, London N16 5PY, the address he used in his loan application with Gladstar. Since he has a residence in England and is transacting business from that residence, it is respectfully

submitted that England is the center of Gold's main interests, and the English Insolvency Proceeding is a foreign main proceeding¹.

15. Section 101(23) of the Bankruptcy Code in turn defines a foreign proceeding as "a collective judicial or administrative proceeding in a foreign country, including an interim proceeding, under a law relating to insolvency or adjustment of debt in which proceeding the assets and affairs of the debtor are subject to control or supervision by a foreign court, for the purpose of reorganization or liquidation."

16. The English Insolvency Proceeding easily qualifies under this definition.

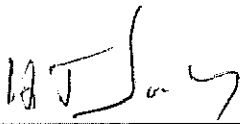
17. Likewise, I comply with the definition of a foreign representative under Section 101(24) of the Bankruptcy Code, since I am the duly appointed trustee in connection with the English Insolvency Proceeding.

18. Finally, Section 1515 requires a statement identifying all foreign proceedings with respect to Gold that are known to the foreign representative. Upon information and belief, there are no other foreign proceedings involving or affecting Gold elsewhere.

¹ Alternatively, the English Insolvency Proceeding is a foreign non-main proceeding under Section 1502(5), as the residence at 144 Holmleigh Road, London, N165PY is an "establishment", or "place of operations where the debtor carries out a nontransitory economic activity".

WHEREFORE, I respectfully request the entry of an Order of Recognition
consistent with the foregoing, in the form attached hereto.

Dated: London, England
April 18, 2011



Harold J. Sorsky, English Trustee

EXHIBIT A

Creditor's Bankruptcy Petition on Failure to Comply with a Statutory Demand for a Liquidated Sum Payable Immediately (Title)

(a) Insert full name(s) and address(es) of petitioner(s)

I/We (a) GLADSTAR LIMITED

(b) Insert full name, place of residence and occupation (if any) of debtor

Roman House, 296 Golders Green Road, London NW11 9PY

(b) petition the Court that a bankruptcy order may be made against

MR MEYER GOLD

(c) Insert in full any other name(s) by which the debtor is or has been known

also known as (c)]

(d) Insert trading name, if any, with another or others (if the nature of business is not stated in the petition, the nature of business must be stated in the petition)

not carrying on business as (d)

(e) Insert any other address at which the debtor has resided at or after the time the petition was incurred

and lately residing at (e) 144 HOLMLEIGH ROAD, LONDON N16 5PY

(f) Give the same details as specified in paragraph (d) above for any other businesses which have been carried on at or after the time the petition debt was incurred

and lately carrying on business as (f)

and say as follows:-

(g) [The debtor's centre of main interests has been] [The debtor has had an establishment]

OR

The debtor carries on business as an insurance undertaking, a credit institution, an investment undertaking providing services involving the holding of funds or securities for third parties, or a collective investment undertaking as referred to in Article 1.2 of the EC Regulation

OR

The debtor's centre of main interests is not within a Member State

2. The debtor has for the greater part of six months immediately preceding the presentation of this petition (g) [resided at] [carried on business at]

144 HOLMLEIGH ROAD, LONDON N16 5PY

within the district of this court (h)

Under the EC Regulation:

(i) The centre of main interests should correspond to the place where the debtor conducts the administration of his interests on a regular basis.

(ii) Establishment is defined as "any place of operations where the debtor carries out a non-transitory economic activity with human means and goods".

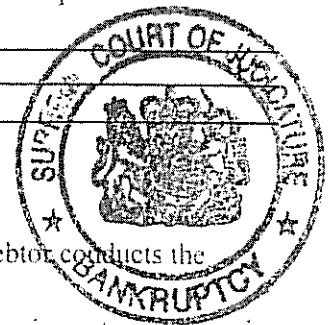


EXHIBIT B

(j) Please give the amount of the debt(s), what they relate to and when they were incurred. Please show separately the amount or rate of any interest or other charge not previously notified to the debtor and the reasons why you are claiming it

(k) Insert date of service of a statutory demand

(l) State manner of service of demand

(m) If 3 weeks have not elapsed since service of statutory demand give reasons for earlier presentation of petition

The debtor is justly and truly indebted to me [us] in the aggregate sum of 1,290,800.00. The said sum refers to two loans made to Mr. Meyer Gold, the first for £420,000 on 14.02.07 and the second for £700,000 on 20.07.07 plus interest £170,800.00

4. The above-mentioned debt is for a liquidated sum payable immediately and the debtor appears to be unable to pay it

5. On (k) Thursday 29th January 2009 at 20.54 at 144 Holmleigh Road N16 5PY a statutory demand was served upon the debtor by

(l) personal service by Benjamin Acoca of Blackhawk Investigations LLP in respect of the above-mentioned debt. To the best of my knowledge and belief the demand has neither been complied with nor set aside in accordance with the Rules and no application to set it aside is outstanding

(m)

6. We do not, nor does any person on my/our behalf, hold any security on the debtor's estate, or any part thereof, for the payment of the above-mentioned sum

OR

I/we hold security for the payment of (g) part of the above-mentioned sum.

I/we will give up such security for the benefit of all the creditors in the event of a bankruptcy order being made.

OR

I/we hold security for the payment of part of the above-mentioned sum and I/we estimate the value of such security to be £XXXXXXXXXX. This petition is not made in respect of the secured part of my/our debt.

Endorsement

This petition having been presented to the court on 19/3/9 it is ordered that the petition shall be heard as follows:-

Date 19th May 2009 Time 1030 hours Place ROOM 110 THOMAS MORE BUILDING (1st FLOOR) ROYAL COURTS OF JUSTICE, STRAND, LONDON, WC2A 2LL

and you, the above-named (n) Meyer Gold, are to take notice that if you intend to oppose the petition you must not later than 7 days before the date fixed for the hearing:

- (i) file in court a notice (in Form 6.19) specifying the grounds on which you object to the making of a bankruptcy order; and
- (ii) send a copy of the notice to the petitioner or his solicitor.

The solicitor to the petitioning creditor is: - (o)

Name TROTT & GENTRY

Address 90/92 Islington High Street, London N1 8EG

Telephone Number 020 7704 7500

Reference G.GLA.SS.11989/6

CERTIFIED TO BE
A TRUE COPY OF
THE ORIGINAL
POMERANCE
SOLICITORS
3-35 FINCHLEY LANE
LONDON NW4 1BX

(o) Only to be completed where the petitioning creditor is represented by a solicitor

IPSSC

IN THE HIGH COURT OF JUSTICE

2320 of 2009

MEYER GOLD
IN BANKRUPTCY

THIS IS TO CERTIFY that

Mr HJ SORSKY of SPW POPPLETON & APPLEBY of Gable House, 239 Regents Park Road,
London, N3 3LF

has been appointed as trustee of the bankruptcy estate of Meyer Gold
with effect from

25 NOV 2009

On behalf of the Secretary of State



Date. 25 NOV 2009

CERTIFIED AS A TRUE
COPY OF THE ORIGINAL
S. G. TAYLOR FIRM FABER

SPW Poppleton & Appleby
Licensed Insolvency Practitioners
Gable House
239 Regents Park Road
Finchley, LONDON N3 3LF

EXHIBIT C

BANKRUPTCY ORDER



**IN THE HIGH COURT OF JUSTICE
IN BANKRUPTCY**

REGISTRAR DERRETT

RE: MEYER Gold

NO: 2320 - 2009

- 9 NOV 2009

JB

**UPON THE PETITION of GLADSTAR LTD
ROMAN HOUSE 296 GOLDERS GREEN ROAD LONDON NW11 9PY
a Creditor which was presented on the 19th March 2009**

AND UPON HEARING Counsel for the Petitioner and the Debtor not being present
or represented

AND UPON READING the evidence

And the Court being satisfied that the EC Regulation does apply and that these
proceedings are main proceedings as defined in Article 3 of the Regulation

IT IS ORDERED that MEYER Gold ALSO KNOWN AS ISRAEL MAYER GOLD
ALSO KNOWN AS MAYER GOLD OCCUPATION UNKNOWN OF 144
HOLMLEIGH ROAD LONDON N16 5PY be adjudged bankrupt

DATED THIS: 9th November 2009

TIME: 15:19

IMPORTANT NOTICE TO BANKRUPT

The/ One of the/ Official Receiver(s) attached to the Court is by virtue of this Order
Receiver and Manager of the Bankrupt's estate. You are required to attend upon the
Official Receiver of the Court at **THE OFFICIAL RECEIVER, 21
BLOOMSBURY STREET, LONDON, WC1B 3SS** immediately after you have
received this Order. The Official Receiver's offices are open Monday to Friday
(except on Holidays) from 10.00 to 16.00 hours.

ENDORSEMENT ON ORDER

The Solicitor to the Petitioning Creditor is:

Name: TROTT & GENTRY
Address: 90/92 ISLINGTON HIGH STREET
LONDON
N1 8EG
Telephone: 020 7704 7500
Reference: G.GLASS.SS.11989/6



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S. G. TAYLOR*

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